

No. 2026-9964

**Official Order
of the
Texas Commissioner of Workers' Compensation**

Date: 6/10/2026

Subject Considered:

Hartford Insurance Company of Illinois
One Hartford Plaza
Hartford, Connecticut 06155

Consent Order
DWC Enforcement File No. 38181

General remarks and official action taken:

This is a consent order with Hartford Insurance Company of Illinois (Respondent). The commissioner of the Texas Department of Insurance, Division of Workers' Compensation (DWC) considers whether DWC should take disciplinary action against Respondent.

Waiver

Respondent acknowledges that the Texas Labor Code and other applicable laws provide certain rights. Respondent waives all of these rights, and any other procedural rights that apply, in consideration of the entry of this consent order.

Findings of Fact

1. Respondent holds a certificate of authority issued by the Texas Department of Insurance to transact the business of insurance pursuant to Tex. Ins. Code §§ 801.051-801.053 and is licensed to write workers' compensation/employers' liability insurance in Texas.
2. Respondent was classified as "average" tier in the 2024 Performance Based Oversight (PBO) assessment. Respondent was classified as "high" tier in the 2022 PBO assessment. Respondent was not selected to be tiered in the 2020 PBO assessment.

Failure to Timely Pay Initial and Accrued Temporary Income Benefits (TIBs), Accurately Pay TIBs, and Process a Claim Promptly in a Reasonable and Prudent Manner

3. On [REDACTED], a full-time employee sustained a workplace injury.
4. The injured employee's first day of disability began on July 31, 2025, when the employee returned to work on light duty but at reduced hours. The eighth day of disability accrued on Aug. 7, 2025.
5. On Aug. 4, 2025, Respondent received notice of the employee's workplace injury. Respondent was also informed that the employee's wage was \$16 per hour.
6. On Aug. 7, 2025, Respondent received notice that the injured employee had lost time because of the injury.
7. On Aug. 12, 2025, Respondent received wage information from the employer showing that the injured employee's post-injury earnings (PIE) were \$602.56 for the work week between Aug. 3 and Aug. 9, 2025.
8. Following receipt of the wage information, Respondent estimated the injured employee's average weekly wage (AWW) by multiplying the employee's hourly wage by a 40-hour work week. However, Respondent incorrectly calculated the injured employee's AWW as \$520 instead of \$640.
9. Respondent was required to initiate or dispute TIBs either 15 days after it received written notice of the injury or seven days after the accrual date, whichever was later. In this case, the latest date was Aug. 19, 2025. Due to the miscalculation of AWW, Respondent determined that the employee's PIE exceeded the employee's AWW and did not initiate TIBs. However, Respondent did not dispute disability.
10. On Aug. 20, 2025, Respondent received a complete *Employer's Wage Statement* (DWC-3) from the employer. Based on the DWC-3, the injured employee's AWW was \$696.78. However, Respondent incorrectly determined that the employee's AWW was \$693.78. Additionally, despite recalculating the employee's AWW, Respondent did not immediately correct its decision to not initiate TIBs.

11. Respondent was required to pay TIBs to the injured employee from Aug. 14, 2025, through Oct. 8, 2025. The TIBs payments were due seven days after the first day of the pay period. Respondent failed to timely pay TIBs, as follows:

	Payment Period	Date Due	Date Paid	Days Late
a.	08-14-2025 to 08-20-2025	08-21-2025	09-25-2025	35
b.	08-21-2025 to 08-27-2025	08-28-2025	09-19-2025	22
c.	08-28-2025 to 09-03-2025	09-04-2025	09-19-2025	15
d.	09-04-2025 to 09-10-2025	09-11-2025	09-25-2025	14
e.	09-11-2025 to 09-17-2025 ¹	09-18-2025	10-20-2025	32
f.	09-18-2025 to 09-24-2025	09-25-2025	10-20-2025	25
g.	09-25-2025 to 10-01-2025	10-02-2025	10-20-2025	18
h.	10-02-2025 to 10-08-2025	10-09-2025	10-20-2025	11

12. Beginning Sept. 12, 2025, Respondent received additional wage information from the injured employee showing the employee's PIE, as follows:

	Date Received	Work Period	PIE
a.	09-12-2025	08-17-2025 to 08-23-2025	\$534.72
b.	09-12-2025	08-24-2025 to 08-30-2025	\$541.76
c.	09-12-2025	08-31-2025 to 09-06-2025	\$546.24
d.	09-23-2025	08-10-2025 to 08-16-2025	\$480.32
e.	09-23-2025	09-07-2025 to 09-13-2025	\$460.48 ²

13. Despite receiving evidence that the injured employee's PIE was below AWW, Respondent took between seven and 27 days to pay TIBs for the applicable benefit weeks.
14. On Oct. 20, 2025, Respondent completed payment for the initial two weeks of TIBs 62 days late.
15. Also, on Oct. 20, 2025, Respondent paid interest for TIBs payments made on Sept. 19 and Sept. 25, 2025. The interest payments were 31 and 25 days late, respectively.

¹ On Oct. 15, 2025, Respondent paid an additional \$1.01 in TIBs for the work period of Sept. 7 to Sept. 13, 2025. It is unclear whether this payment covers TIBs owed for the benefit period in row d, the benefit period in row e, or both.

² Respondent mistakenly determined that the PIE for Sept. 7 to Sept. 13, 2025, were \$480.48

16. For the first 10 weeks of TIBs between July 31, 2025, and Oct. 8, 2025, Respondent paid \$1,502.48 in TIBs when it should have paid \$1,533.78 in TIBs, underpaying by \$31.30.
17. On May 5, 2026, Respondent corrected the underpayment.
18. Overall, Respondent failed to accurately and timely pay the first 10 weeks of TIBs payments owed to the injured employee.
19. Based on the evidence described above, Respondent failed to adjust the claim in a reasonable and prudent manner.

Assessment of Sanction

1. Failure to provide income benefits in a timely, accurate, and reasonable manner is harmful to injured employees and the Texas workers' compensation system.
2. In assessing the sanction for this case, DWC fully considered the following factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e):
 - the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the prohibited act;
 - the history and extent of previous administrative violations;
 - the violator's demonstration of good faith, including actions it took to rectify the consequences of the prohibited act;
 - the penalty necessary to deter future violations;
 - whether the administrative violation had a negative impact on the delivery of benefits to an injured employee;
 - the history of compliance with electronic data interchange requirements;
 - the economic benefit resulting from the prohibited act; and
 - other matters that justice may require, including, but not limited to:
 - PBO assessments;
 - prompt and earnest actions to prevent future violations;
 - self-report of the violation;
 - the size of the company or practice;
 - the effect of a sanction on the availability of health care; and
 - evidence of heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules.

3. DWC found the following factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e) to be aggravating:
 - a. the violations are serious, involving 10 weeks of TIBs paid up to 62 days late and unreasonable claims handling;
 - b. Respondent has a history of similar administrative violations, including three consent orders and four warning letters involving late TIBs;
 - c. a penalty is necessary to deter future violations;
 - d. the violation negatively impacted the delivery of \$1,533.78 in benefits to an injured employee; and
 - e. Respondent is the 24th largest workers' compensation insurance carrier in Texas and has a heightened awareness of its legal duty to comply with the Texas Workers' Compensation Act and DWC rules.
4. DWC is aware of no mitigating factors pursuant to Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
5. Respondent acknowledges communicating with DWC about the relevant statute and rule violations alleged; that the facts establish that the administrative violation(s) occurred; and that the proposed sanction is appropriate, including the factors DWC considered under Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).
6. Respondent acknowledges that, in assessing the sanction, DWC considered the factors in Tex. Lab. Code § 415.021(c) and 28 Tex. Admin. Code § 180.26(e).

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to Tex. Lab. Code §§ 402.001; 402.00114; 402.00116; 402.00128; 414.002; and 414.003.
2. The commissioner has the authority to dispose of this case informally pursuant to Tex. Gov't Code § 2001.056; Tex. Lab. Code §§ 401.021; 402.00128(b)(6)-(7); and 28 Tex. Admin. Code § 180.26(h) and (i).
3. Respondent has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intent to institute disciplinary action, notice of

hearing, a public hearing, a proposal for decision, a rehearing by the commissioner, and judicial review.

4. Pursuant to Tex. Lab. Code § 415.021, the commissioner may assess an administrative penalty against a person who commits an administrative violation.
5. Pursuant to Tex. Lab. Code § 415.002(a)(20) and (22), an insurance carrier or its representative commits an administrative violation each time it violates a DWC rule or a provision of the Texas Workers' Compensation Act.
6. Pursuant to Tex. Lab. Code § 408.101, an employee is entitled to TIBs if the employee has a disability and has not attained maximum medical improvement.
7. Pursuant to Tex. Lab. Code §§ 408.081; 409.023; and 415.002(a)(16), an insurance carrier must pay benefits weekly, as and when the benefits accrue, without order from the commissioner.

Failure to Timely Pay or Dispute Initial TIBs

8. Pursuant to Tex. Lab. Code §§ 408.081; 408.082; 409.021; and 28 Tex. Admin. Code §§ 124.3 and 124.7, an insurance carrier is required to initiate payment of TIBs no later than the 15th day after it receives written notice of the injury or the seventh day after the accrual date, unless the insurance carrier notifies DWC and the injured employee in writing of its refusal to pay.
9. Respondent violated Tex. Lab. Code §§ 409.021; 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code §§ 124.3 and 124.7 by failing to timely pay initial TIBs.

Failure to Timely Pay Accrued TIBs

10. Pursuant to Tex. Lab. Code §§ 408.081, 408.082, and 28 Tex. Admin. Code § 124.7, an insurance carrier is required to initiate payment of TIBs no later than the seventh day after the accrual date.
11. Respondent violated Tex. Lab. Code §§ 408.081; 409.023; 415.002(a)(16), (20), and (22); and 28 Tex. Admin. Code § 124.7 each time Respondent failed to timely pay accrued TIBs.

Failure to Accurately Pay TIBs

12. Pursuant to Tex. Lab. Code § 408.103 and Tex. Admin. Code § 129.3, the insurance carrier is required to pay the correct amount of TIBs.
13. Respondent violated Tex. Lab. Code §§ 408.103; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 129.3 each time Respondent failed to accurately pay TIBs.

Failure to Process a Claim Promptly in a Reasonable and Prudent Manner

14. Pursuant to Tex. Lab. Code § 415.002(a)(11), an insurance carrier or its representative commits an administrative violation by failing to process claims promptly in a reasonable and prudent manner.
15. Respondent violated Tex. Lab. Code § 415.002(a)(11) by failing to process a claim promptly in a reasonable and prudent manner.

Failure to Timely Pay Interest with Indemnity Benefits

16. Pursuant to Tex. Lab. Code § 408.064 and 28 Tex. Admin. Code § 126.12(b), accrued but unpaid income benefits and interest shall be paid in a lump sum.
17. Respondent violated Tex. Lab. Code §§ 408.064; 415.002(a)(20) and (22); and 28 Tex. Admin. Code § 126.12(b) by failing to timely pay interest with accrued but unpaid income benefits.

Order

It is ordered that Hartford Insurance Company of Illinois must pay an administrative penalty of \$5,200 within 30 days from the date the Commissioner signs the order.

After receiving an invoice from DWC, Hartford Insurance Company of Illinois must pay the administrative penalty either: (1) by electronic transfer using the State Invoice Payment Service; OR (2) by company check, cashier's check, or money order.

To ensure proper check or money order processing:

- Make the check payable to "Texas Division of Workers' Compensation";
- Enclose a copy of the attached invoice with the check or money order; and
- Mail the check or money order to the Texas Department of Insurance, Attn: DWC Enforcement Section, MC AO-9999, PO Box 12030, Austin, Texas 78711-2030.



Jeff Nelson
Commissioner
TDI, Division of Workers' Compensation

Approved Form and Content:



Alberto Garcia
Staff Attorney, Enforcement
Compliance and Investigations
TDI, Division of Workers' Compensation

Unsworn Declaration

STATE OF CALIFORNIA §
COUNTY OF SACRAMENTO §
§

Pursuant to the Tex. Civ. Prac. and Rem. Code § 132.001(a), (b), and (d), my name is Julie Riddle. I hold the position of Assistant Director, Claim Compliance and am the authorized representative of Hartford Insurance Company of Illinois. My business address is:

1415 W. Diehl Rd., Naperville, DuPage, IL, 60563.
(Street) (City) (County) (State) (ZIP Code)

I am executing this declaration as part of my assigned duties and responsibilities. I declare under penalty of perjury that the facts stated in this document are true and correct.

Julie Riddle
Declarant

Executed on May 20, 2026.